AIICO CAPITAL

DAILY MARKET INSIGHTS.

Thursday, 26 February 2026

MARKET COMMENTARY

System Liquidity

System liquidity opened today on a surplus of ₦2.68 trillion, reflecting a decrease of ₦850.64 billion from the previous session. This was driven by a decreased but relatively large Deposit Money Banks (DMBs) placement at the CBN's Standard Deposit Facility (SDF) window, from ₦3.97 trillion the previous day to ₦3.71 trillion. This was largely offset by ₦1.11 trillion settlement for OMO auction held yesterday, across the 6-, 104-, and 167-days tenors.

Consequently, average funding cost ticked up by 5bps to 22.13%, as the Open Repo Rate (OPR) held steady 22.00%, while the Overnight Rate (OVN) added 10bps to settle at 22.25%.

Outlook: *Barring any funding activities, funding costs are likely to remain elevated.*

SYS. LIQ. (₦'BN)		Diff.
26-Feb-26	2,677.58	(850.64)
25-Feb-26	3,528.21	

Source: CBN, AIICO Capital

Eurobonds

The African Eurobond market traded on a mildly bearish note amid cautious sentiment. The uptick in yields reflected ongoing oil price volatility around $70-71/bbl levels and mixed global cues, including recent softer U.S. inflation prints but persistent geopolitical risks in the Middle East.

Across Nigeria's Eurobond curve, yields trended higher. At the short end, Nov-2027 rose 1bp to 5.21%, while Sep-2028 and Mar-2029 increased 3bps and 7bps to 5.49% and 5.79%. Mid-tenors were firmer, with Feb-2030 and Jan-2031 up 8bps and 9bps to 6.13% and 6.46%. The long end extended the move as Jan-2036 climbed 11bps to 7.44% and Dec-2034 rose 8bps to 7.27%. Overall, the average Nigerian Eurobond benchmark yield widened 6bps to 6.94%.

Outlook: *We market to trade in line with the oil price volatility and macroeconomic updates.*

BENCHMARK FGN EUROBOND YIELDS

	26-Feb-26	25-Feb-26	Change in Yield (%)
5 YRS: NGERIA 8.375% 03/24/29	5.79%	5.72%	0.07
10 YRS: NGERIA 7.375% 09/29/33	6.98%	6.89%	0.09
15 YRS: NGERIA 7.696% 23/02/38	7.59%	7.54%	0.05
30 YRS: NGERIA 8.25% 09/29/51	8.19%	8.12%	0.07
8.75% ETI 06/17/31*	7.08%	6.72%	0.04

Source: FirstBank UK, AIICO Capital

Treasury Bills

The NTB secondary market traded on a largely stable note, with yields holding firm across most maturities amid muted activity and balanced demand–supply dynamics.

Across the curve, short- to mid-tenor bills remained unchanged as maturities closed steady. In the mid- to long-end segment, bills maintained prior levels as maturities also closed unchanged. Notably, the 04-Feb-27 bill recorded a marginal uptick of 23bps to 15.68%, reflecting selective interest at the far end of the curve. Consequently, the average benchmark rate inched up by 2bps to close at 15.85%.

Outlook: *We expect the market to maintain a cautious tone in the near term.*

BENCHMARK T-BILLS DISCOUNT RATES			
	26-Feb-26	25-Feb-26	Change in Yield (%)
70 DAYS	15.66%	15.66%	-
161 DAYS	15.76%	15.76%	-
343 DAYS	15.68%	15.45%	0.23

Source: FMDQ, AIICO Capital

FGN Bonds

The FGN bond secondary market traded on a mixed note, as selective buying interest across segments of the curve was offset by pockets of mild sell pressure, while several benchmarks closed unchanged.

At the short end, the 20-Mar-27 and 21-Feb-31 maturities edged lower by 1bp apiece to 15.96% and 15.78%, respectively, while other maturities closed unchanged. In the mid-segment, 17-Apr-29 bond weakened, with yield rising by 11bps to 16.01%. In contrast, the 27-Apr-32 and 15-May-33 maturities rallied, posting notable compressions of 18bps and 14bps to close at 15.60% and 15.59%, respectively. Further along the curve, the 21-Feb-34 and 18-Jul-34 bonds recorded yield increases of 7bps and 19bps to settle at 15.59% and 15.68%, respectively, while longer-dated instruments remained unchanged. Overall, the average benchmark yield declined by 29bps to close at 15.44%.

Outlook: *In the near term, we expect the market to retain a cautious tone.*

BENCHMARK FGN BOND YIELDS			
	26-Feb-26	25-Feb-26	Change in Yield (%)
3 YRS: 14.55% 26-APR-2029	15.80%	15.80%	-
10 YRS: 12.40% 18-MAR-2036	15.37%	15.37%	-
18 YRS: 13.00% 21-JAN-2042	14.96%	14.96%	-
27 YRS: 15.70% 21-JUN-2053	14.16%	14.16%	-

Source: FMDQ, AIICO Capital

Nigerian Equities

The Nigerian bourse closed the session on a negative note as the All-Share Index (ASI) declined by 41bps, although the market maintained a 24.39% year-to-date (YTD) return. The Pension Index also weakened, shedding 56bps on the day, but maintains a strong 31.91% YTD gain. Market breadth was subdued with 30 gainers versus 37 decliners. FTNCOCOA (+10%) led the gainers, while IKEJAHOTEL (-9.9%) topped the losers' chart. Trading activity was mixed as JAPAULGOLD (73.25m shares) recorded the highest volume, while ZENITHBANK (₦4.06bn) dominated the value chart.

Sector performance was broadly weak. The Banking Index declined by 63bps driven by losses in UBA (-3.27%), ZENITHBANK (-2.2%), ACCESSCORP (-1.5%), WEMABANK (-1.1%), FCMB (-1.09%), FIDELITYBK (-0.98%), and GTCO (-0.76%). The Consumer Index slipped by 3bps pressured by CADBURY (-9.69%), DANGSUGAR (-3.51%), PZ (-1.55%), HONYFLOUR (-0.43%), and NB (-0.06%), partially offset by gains in UNILEVER (+5.44%), VITAFOAM (+5.78%), and CHAMPION (+9.38%). The Oil and Gas Index gained 12bps supported by JAPAULGOLD (+9.91%) and OANDO (+1.75%). The Industrial Index dipped 119bps on WAPCO (-8.21%), despite strength in CUTIX (+8.74%).

Trade value declined by 32.83% to $22.33m, with several stocks driving activity amid mild profit-taking, resulting in overall negative sentiment.

Outlook: *We expect mixed market performance tomorrow as participants' profit-taking and repositioning.*

	D-o-D	W-o-W	MTD	YTD
NGX ASI	-0.41%	0.26%	17.05%	24.39%
NSE BANKING INDEX	-0.63%	1.36%	15.76%	23.84%
NSE INSURANCE INDEX	-0.32%	0.35%	0.78%	12.63%
NSE INDUSTRIAL GOODS INDEX	-1.19%	4.12%	25.25%	32.07%
NSE CONSUMER GOODS INDEX	-0.03%	-2.56%	6.22%	9.63%
NSE OIL & GAS INDEX	0.12%	-0.11%	33.98%	52.47%

Source: NGX, AIICO Capital

TOP 5 EQUITY ADVANCERS			
NAME (SYMBOL)	CLOSING PRICE	GAIN(N)	% CHANGE
FTNCOCOA	6.05	0.55	10.00%
RTBRISCOE	11.38	1.03	9.95%
DEAPCAP	6.98	0.63	9.92%
JAPAULGOLD	3.77	0.34	9.91%
ELLAHLAKES	11.85	1.05	9.72%

Source: NGX, AIICO Capital

TOP 5 EQUITY DECLINERS			
NAME (SYMBOL)	CLOSING PRICE	LOSS(N)	% CHANGE
JAIZBANK	12.63	-1.40	-9.98%
IKEJAHOTEL	37.75	-4.15	-9.90%
JOHNHOLT	8.65	-0.95	-9.90%
ENAMELWA	36.50	-4.00	-9.88%
CADBURY	61.95	-6.65	-9.69%

Source: NGX, AIICO Capital

Foreign Exchange

The Naira at the Nigerian Foreign Exchange Market (NFEM) today continued its negative run into the week, depreciating by 27bps (₦3.70) against the U.S. Dollar.

The depreciation was driven by high USD demand pressure despite inflows from Foreign Portfolio Investors (FPIs) and local participants. The Naira traded within the ₦1,356.50/$ and ₦1,362.90/$ band during the session before settling at ₦1,359.82/$.

Meanwhile, external reserves was noted at $49.51 billion as of 25-Feb-2026, reflecting an addition of $115.96 million day-on-day.

Outlook: *We expect the Naira to trade at relatively weaker levels tomorrow supported by recent demand and supply dynamics.*

NFEM RATE ($/₦)		Diff.
26-Feb-26	1,359.8181	3.7040
25-Feb-26	1,356.1141	

Source: CBN, AIICO Capital

Commodities

Global oil prices rose almost $1 on Thursday as investors awaited the outcome of a third round of talks between the United States and Iran over the latter's nuclear program. Brent crude gained 48bps or 34 cents, hovering around $71.17 per barrel, while U.S. West Texas Intermediate (WTI) gained 32bps, to around $65.63 per barrel.

Conversely, Gold traded mixed on Thursday as investors ruminate on concerns that tariffs could stoke inflation, while ongoing tensions between Iran and the United States also kept bids for safety intact. Spot gold price crept up 2bps, rising to around $5,172.26/oz, while U.S. gold futures fell 45bps, hovering around $5,202.54/oz.

Outlook: *We expect metals to trade in line with macro developments, while oil faces structural supply headwinds amid heightened geopolitical tensions.*

Macro Indicators	
GDP (Q3 2025)	+3.98% (Q2: 2025 +4.23% y/y)
Inflation (January 2026)	15.10% (Dec'25: 15.15%)
External Reserve (US$'billion)	49.51 (+8.81% YTD as of 25-Feb-26)
Monetary Policy Rate (Feb'2026)	26.50%
Cash Reserve Requirement (CRR)	45.00%
Brent Crude Price US$/bbl	*71.17 (+0.34 d/d)

Source: NBS,CBN, Bloomberg, AIICO Capital